
SENATE BILL No. 73

DIGEST OF INTRODUCED BILL

Citations Affected: IC 12-8-6-6.5; IC 16-28-11-4; IC 25-26; IC 34-30-2-101.5.

Synopsis: Distribution of unused drugs. Allows a pharmacy or pharmacist to donate medication to certain health clinics. Establishes the regional drug repository program to distribute donated drugs. Requires a health facility to return certain unused medication to the pharmacy that dispensed the medication. Allows a pharmacy or pharmacist to accept returned medication from a hospice program. Requires the office of Medicaid policy and planning to review the process of returning unused medication.

Effective: July 1, 2004.

Breaux

December 2, 2003, read first time and referred to Committee on Health and Provider Services.

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Introduced

Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

SENATE BILL No. 73

A BILL FOR AN ACT to amend the Indiana Code concerning health.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 12-8-6-6.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2004]: **Sec. 6.5. (a) Before January 1, 2005, the office shall review**
4 **the following:**

5 (1) **The process of returning unused medication under**
6 **IC 25-26-13-25.**

7 (2) **The process of reimbursing the office for unused**
8 **medication of a Medicaid recipient.**

9 (b) **When the office conducts the review under subsection (a),**
10 **the office may consider information provided by pharmacies that**
11 **provide long term care pharmacy services. After December 31,**
12 **2004, the office may review the process of returning unused**
13 **medication when the office determines that a review is necessary.**

14 (c) **After the office conducts a review under subsection (a), the**
15 **office may adopt rules under IC 4-22-2 to require a pharmacist to**
16 **accept medication for return under IC 25-26-13-25. The rules**
17 **adopted by the office may include compensation to the pharmacist**

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1 **for the return of medication under IC 25-26-13-25.**

2 SECTION 2. IC 16-28-11-4 IS ADDED TO THE INDIANA CODE
3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
4 1, 2004]: **Sec. 4. A health facility that possesses unused medication**
5 **that meets the requirements of IC 25-26-13-25(i)(1) through**
6 **IC 25-26-13-25(i)(6):**

7 (1) shall return medication that belonged to a Medicaid
8 recipient; and

9 (2) may return other unused medication;
10 **to the pharmacy that dispensed the medication.**

11 SECTION 3. IC 25-26-13-25, AS AMENDED BY P.L.182-2003,
12 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
13 JULY 1, 2004]: Sec. 25. (a) All original prescriptions, whether in
14 written or electronic format, shall be numbered and maintained in
15 numerical and chronological order, or in a manner approved by the
16 board and accessible for at least two (2) years in the pharmacy. A
17 prescription transmitted from a practitioner by means of
18 communication other than writing must immediately be reduced to
19 writing or recorded in an electronic format by the pharmacist. The files
20 shall be open for inspection to any member of the board or its duly
21 authorized agent or representative.

22 (b) Except as provided in subsection (c), ~~before the expiration of~~
23 ~~subsection (c) on June 30, 2003~~, a prescription for any drug, the label
24 of which bears either the legend, "Caution: Federal law prohibits
25 dispensing without prescription" or "Rx Only", may not be refilled
26 without written or oral authorization of a licensed practitioner.

27 (c) A prescription for any drug, the label of which bears either the
28 legend, "Caution: Federal law prohibits dispensing without
29 prescription" or "Rx Only", may be refilled by a pharmacist one (1)
30 time without the written or oral authorization of a licensed practitioner
31 if all of the following conditions are met:

32 (1) The pharmacist has made every reasonable effort to contact
33 the original prescribing practitioner or the practitioner's designee
34 for consultation and authorization of the prescription refill.

35 (2) The pharmacist believes that, under the circumstances, failure
36 to provide a refill would be seriously detrimental to the patient's
37 health.

38 (3) The original prescription authorized a refill but a refill would
39 otherwise be invalid for either of the following reasons:

40 (A) All of the authorized refills have been dispensed.

41 (B) The prescription has expired under subsection (f).

42 (4) The prescription for which the patient requests the refill was:

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- 1 (A) originally filled at the pharmacy where the request for a
 2 refill is received and the prescription has not been transferred
 3 for refills to another pharmacy at any time; or
 4 (B) filled at or transferred to another location of the same
 5 pharmacy or its affiliate owned by the same parent corporation
 6 if the pharmacy filling the prescription has full access to
 7 prescription and patient profile information that is
 8 simultaneously and continuously updated on the parent
 9 corporation's information system.
- 10 (5) The drug is prescribed for continuous and uninterrupted use
 11 and the pharmacist determines that the drug is being taken
 12 properly in accordance with IC 25-26-16.
- 13 (6) The pharmacist shall document the following information
 14 regarding the refill:
- 15 (A) The information required for any refill dispensed under
 16 subsection (d).
- 17 (B) The dates and times that the pharmacist attempted to
 18 contact the prescribing practitioner or the practitioner's
 19 designee for consultation and authorization of the prescription
 20 refill.
- 21 (C) The fact that the pharmacist dispensed the refill without
 22 the authorization of a licensed practitioner.
- 23 (7) The pharmacist notifies the original prescribing practitioner
 24 of the refill and the reason for the refill by the practitioner's next
 25 business day after the refill has been made by the pharmacist.
- 26 (8) Any pharmacist initiated refill under this subsection may not
 27 be for more than the minimum amount necessary to supply the
 28 patient through the prescribing practitioner's next business day.
 29 However, a pharmacist may dispense a drug in an amount greater
 30 than the minimum amount necessary to supply the patient through
 31 the prescribing practitioner's next business day if:
- 32 (A) the drug is packaged in a form that requires the pharmacist
 33 to dispense the drug in a quantity greater than the minimum
 34 amount necessary to supply the patient through the prescribing
 35 practitioner's next business day; or
- 36 (B) the pharmacist documents in the patient's record the
 37 amount of the drug dispensed and a compelling reason for
 38 dispensing the drug in a quantity greater than the minimum
 39 amount necessary to supply the patient through the prescribing
 40 practitioner's next business day.
- 41 (9) Not more than one (1) pharmacist initiated refill is dispensed
 42 under this subsection for a single prescription.

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(10) The drug prescribed is not a controlled substance.
 A pharmacist may not refill a prescription under this subsection if the practitioner has designated on the prescription form the words "No Emergency Refill".

(d) When refilling a prescription, the refill record shall include:

- (1) the date of the refill;
- (2) the quantity dispensed if other than the original quantity; and
- (3) the dispenser's identity on:
 - (A) the original prescription form; or
 - (B) another board approved, uniformly maintained, readily retrievable record.

(e) The original prescription form or the other board approved record described in subsection (d) must indicate by the number of the original prescription the following information:

- (1) The name and dosage form of the drug.
- (2) The date of each refill.
- (3) The quantity dispensed.
- (4) The identity of the pharmacist who dispensed the refill.
- (5) The total number of refills for that prescription.

(f) A prescription is valid for not more than one (1) year after the original date of issue.

(g) A pharmacist may not knowingly dispense a prescription after the demise of the practitioner, unless in the pharmacist's professional judgment it is in the best interest of the patient's health.

(h) A pharmacist may not knowingly dispense a prescription after the demise of the patient.

(i) A pharmacist or a pharmacy shall not resell, reuse, or redistribute a medication that is returned to the pharmacy after being dispensed unless the medication:

- (1) was dispensed to a patient:
 - (A) residing in an institutional facility (as defined in ~~856 IAC 1-28-1(a)~~; **856 IAC 1-28.1-1(6)**); or
 - (B) in a hospice program under IC 16-25;
- (2) was properly stored and securely maintained according to sound pharmacy practices;
- (3) is returned unopened and:
 - (A) was dispensed in the manufacturer's original:
 - (i) bulk, multiple dose container with an unbroken tamper resistant seal; or
 - (ii) unit dose package; or
 - (B) was packaged by the dispensing pharmacy in a:
 - (i) multiple dose blister container; or

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- (ii) unit dose package;
 (4) was dispensed by the same pharmacy as the pharmacy accepting the return;
 (5) is not expired; and
 (6) is not a controlled substance (as defined in IC 35-48-1-9), unless the pharmacy holds a Type II permit (as described in ~~IC 25-26-13-17~~). **section 17 of this chapter).**

(j) A pharmacist may use the pharmacist's professional judgment as to whether to accept medication for return under subsection (i). **A state agency may require a pharmacist to accept the medication unless the acceptance of the medication would violate the pharmacist's professional judgment.**

(k) A pharmacist who violates subsection (c) commits a Class A infraction.

SECTION 4. IC 25-26-20 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]:

Chapter 20. Regional Drug Repository Program

Sec. 1. The definitions in IC 25-26-13-2 apply throughout this chapter.

Sec. 2. As used in this chapter, "nonprofit health clinic" means the following:

- (1) A federally qualified health center (as defined in 42 U.S.C. 1396d(l)(2)(B)).
- (2) A rural health clinic (as defined in 42 U.S.C. 1396d(l)(1)).
- (3) A nonprofit health clinic that provides medical care to patients who are indigent, uninsured, or underinsured.

Sec. 3. (a) The board may organize a voluntary regional drug repository program to collect and redistribute drugs to nonprofit health clinics.

(b) The board may enter into a voluntary agreement with any of the following to serve as a regional drug repository:

- (1) A pharmacist or pharmacy.
- (2) A drug manufacturer.
- (3) A wholesale drug distributor.
- (4) A hospital licensed under IC 16-21.
- (5) A health care facility (as defined in IC 16-18-2-161).
- (6) A nonprofit health clinic.

(c) A regional drug repository must hold a controlled substances registration issued under IC 35-48-3.

(d) A regional drug repository may not receive compensation for participation in the program.

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1 **Sec. 4. Unadulterated drugs, including a medication that has**
 2 **been returned under IC 25-26-13-25(i), may be donated without a**
 3 **prescription or drug order to the regional drug repository**
 4 **program by the following:**

- 5 (1) A pharmacist or pharmacy.
 6 (2) A drug manufacturer.
 7 (3) A wholesale drug distributor.
 8 (4) A hospital licensed under IC 16-21.
 9 (5) A health care facility (as defined in IC 16-18-2-161).
 10 (6) A hospice.
 11 (7) A practitioner.

12 **Sec. 5. A drug that is given by a regional drug repository to a**
 13 **nonprofit health clinic may not be:**

- 14 (1) sold; or
 15 (2) given to a patient except upon a practitioner's prescription
 16 or drug order.

17 **Sec. 6. (a) Except in cases of bad faith or willful misconduct, a**
 18 **person who donates a drug to the regional drug repository**
 19 **program and a nonprofit health clinic or practitioner who accepts**
 20 **or dispenses drugs under the program is not:**

- 21 (1) subject to disciplinary actions; or
 22 (2) liable for civil or criminal actions for the injury, death, or
 23 loss to a patient;

24 **for matters related to the donation, acceptance, or dispensing of a**
 25 **drug under the program.**

26 (b) Except in cases of bad faith or willful misconduct, a drug
 27 manufacturer is not liable for civil or criminal actions for any drug
 28 that was made by the drug manufacturer concerning the failure to
 29 transfer or communicate product or consumer information or the
 30 expiration date of the drug donated under the program.

31 (c) Except in cases of bad faith or willful misconduct, a regional
 32 drug repository is not liable for civil or criminal actions for the
 33 injury, death, or loss to a patient related to the donation,
 34 acceptance, or dispensing of a drug under the program.

35 **Sec. 7. The board may adopt rules under IC 4-22-2 to:**

- 36 (1) establish standards and procedures for accepting, storing,
 37 and dispensing drugs donated under this chapter;
 38 (2) establish the types of drugs that may be donated; and
 39 (3) administer this chapter.

40 **SECTION 5. IC 34-30-2-101.5 IS ADDED TO THE INDIANA**
 41 **CODE AS A NEW SECTION TO READ AS FOLLOWS**
 42 **[EFFECTIVE JULY 1, 2004]: Sec. 101.5. IC 25-26-20-6 (Concerning**

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1 **drugs donated to a regional drug repository program).**

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